

**STATE OF IOWA  
DEPARTMENT OF COMMERCE  
BEFORE THE IOWA UTILITIES BOARD**

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<b>IN RE:</b>	:	
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<b>REVIEW OF COGENERATION AND SMALL POWER PRODUCTION RULES [199 IAC CHAPTER 15]</b>	:	<b>DOCKET NO. RMU-2016-0006</b>
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**MIDAMERICAN ENERGY COMPANY’S REPLY TO STAKEHOLDER COMMENTS  
REGARDING THE PROPOSED REVISIONS OF 199 IAC CHAPTER 15**

MidAmerican Energy Company (“MidAmerican”) submits this Reply to Stakeholder Comments in response to the Iowa Utilities Board (“Board”) Order Requesting Stakeholder Comments on Potential Rule Changes (“Order”) issued July 19, 2016 regarding the Board’s Cogeneration and Small Power Production Rules. In these reply comments, MidAmerican is both supplementing its previous comments and providing replies to stakeholder comments submitted on August 18, 2016:<sup>1</sup>

**REPLY COMMENTS**

**1. Streamlined Annual Reporting Requirements Should Continue to Allow for Confidential Reporting and Should Not Seek Additional Information. (Amended Rules 199 IAC 15.3 & 15.12).**

MidAmerican continues to support streamlining reporting requirements<sup>2</sup> into the April 1 annual report. However, maintaining the confidentiality of customer-specific information—that

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<sup>1</sup> Due to the similarity and connection between the rules in Chapters 15 and 45, many of the comments provided here will also be identified in MidAmerican’s comments to the Chapter 45 rules. Those comments will be made in response to the Board’s Order Commencing Rule Making in Docket No. RMU-2016-0003.

<sup>2</sup> Proposed Amended Chapter 15.3: copies of contracts executed for the purchase or sale, for resale, or energy or capacity in the previous calendar year; and Proposed Revised Chapter 15.12: information regarding the AEP or QF facilities interconnected with the electric utility’s system in the previous calendar year.

serves no public purpose—remains an important consideration.<sup>3</sup> While arriving at a slightly different solution, the Office of Consumer Advocate (“OCA”) also identifies the challenge with converging streamlined reporting and confidentiality.<sup>4</sup> MidAmerican reiterates its request that the streamlined annual report information be filed confidentiality.

The Environmental Law & Policy Center (“ELPC”) and the Iowa Environmental Council (“IEC”) suggest additional interconnection process detail for inclusion in section 15.12 (and in Chapter 45) utility reporting.<sup>5</sup> At this time, MidAmerican does not support expanding the scope of information that would be submitted in the newly proposed and streamlined annual reporting process. MidAmerican believes that the current reporting requirements collect ample information regarding interconnection. MidAmerican also notes the Board has identified that it will require reporting to monitor the impacts of the Board’s July 19, 2016 Order Directing Filing of Net Metering Tariffs. Reporting requirements that are specific to the pilot tariffs are more likely to provide valuable information to the Board.

**2. MidAmerican Proposes Further Amendment to the Definition of “Disconnection Device” Under 45.1(1) to Include Energy Storage. (Amended Rule 199 IAC 45.1).**

MidAmerican proposed the following modification to the definition of “disconnection device” in its August 18, 2016 comments related to Chapter 15 (Docket No. RMU-2016-0006):

“‘Disconnection device’ means a lockable visual disconnect or other disconnection device, ~~such as, but not limited to, a service disconnect, gang operated main disconnect, or breaker~~ capable of isolating, disconnecting and de-energizing the residual voltage in a customer-sited private distributed generation facility subject to the requirements of Chapters 15 and 45.”

Based on additional review of the Board’s Notice of Investigation docket on distributed generation (Docket No. NOI-2014-0001) and the Board’s proposed changes to 199 IAC Chapter

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<sup>3</sup> See MidAmerican August 18, 2016 Comments, pp. 2-3 (RMU-2016-0006).

<sup>4</sup> See OCA August 18, 2016 Comments, p. 2 (RMU-2016-0006).

<sup>5</sup> See ELPC August 18, 2016 Comments, pp. 6-7 (RMU-2016-0006).

45 (Docket No. RMU-2016-0003), MidAmerican suggests that the term “distributed energy storage facility” be defined separately from “distributed generation facility” in Chapters 15 and 45.<sup>6</sup> Accordingly, MidAmerican proposes the following definition to be included in section 15.1:

“‘Disconnection device’ means a lockable visual disconnect or other disconnection device, ~~such as, but not limited to, a service disconnect, gang operated main disconnect, or breaker~~ capable of isolating, disconnecting and de-energizing the residual voltage in a customer-sited distributed generation facility or distributed energy storage facility subject to the requirements of Chapters 15 and 45.”

**3. MidAmerican Shares OCA’s Concern With the Final Sentence of Chapter 15.12. (Amended Rules 199 IAC 15.11(3), 15.12, & 45.13(2)).**

The Board proposes that specific requirements for reportable information be defined by the Board in its annual report forms. *See* July 19, 2016 Board Draft Notice of Intended Action, p. 13 (Docket No. RMU-2016-0006); *see also* August 18, 2016 Comments by the OCA, p. 3 (Docket No. RMU-2016-0006). This means that the reporting requirements could be modified annually and, potentially, without stakeholder input. MidAmerican notes that locating these reporting requirements in the rules provides certainty and notice to all stakeholders. Specifically, there is certainty for the utilities relating to the information they will be required to collect each year and notice to the public regarding the information it can expect to review.

Further, with regard to the specific information sought by the Board, the opportunity for notice, comment, and appeal should be maintained as reporting requirements change. The

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<sup>6</sup> Concurrently with this filing, MidAmerican is filing its Initial Comments to the Board’s proposed rule changes to Chapter 45 (RMU-2016-0003). MidAmerican’s Chapter 45 comment filing explains the need to separately define energy storage.

proposed rules do not clarify what future information the Board may seek in these requirements nor whether utilities or other stakeholders will be allowed to participate in this process.<sup>7</sup>

MidAmerican believes that this change is proposed to establish additional flexibility in the process, which may allow the Board to respond to changes in the marketplace more quickly. While MidAmerican understands and supports the desire to establish flexibility and faster process, there is a balance between process and flexibility that must be investigated before a significant policy change like this is implemented. MidAmerican has similar concerns related to the removal of certain information from the Chapter 45 rules and refers the Board to those comments as well.

**4. Disconnection of an Interconnection Customer's Electric Service for Non-compliance of Chapter 15 is Too Burdensome; Disconnection of the Customer's Facility (Until Compliance is Achieved) is a More Appropriate Remedy. (Amended Rule 199 IAC 15.10(3)“f”).**

In its August 18, 2016 comments, MidAmerican suggested a modification to the Board's proposed section 15.10(3)“f”. Rather than penalize the non-compliant interconnection customer by completely disconnecting the customer's electric service, MidAmerican's suggestion seeks to lessen the burden on interconnection customers by solely disconnecting its generation or energy storage facility until compliance is achieved.<sup>8</sup> ELPC and IEC's comments support this tempered approach.

MidAmerican continues to support its proposed modification, but in light of further analysis of Chapter 45 proposed rules, MidAmerican submits a new revised section 15.10(3)“f”

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<sup>7</sup> As noted above, this concern will also be identified in MidAmerican's comments to the Chapter 45 rules. Those comments will be made in response to the Board's Order Commencing Rule Making in Docket No. RMU-2016-0003.

<sup>8</sup> MidAmerican proposes that this same limitation (generation facility or energy storage facility disconnection only) applies to Interstate Power and Light's (“IPL”) proposed addition to Chapter 15.10(7). *See* IPL August 18, 2016 Comments, p. 7 (Docket No. RMU-2016-0006).

as identified below. These revisions: 1) incorporate a proposed energy storage definition;<sup>9</sup> 2) address the scenario under which the interconnection customer is incapable of solely disconnecting its generation or energy storage facility; and 3) edit the rule for non-substantive readability. On August 18, 2016, MidAmerican proposed the following modification to the Board's proposed Chapter 15.10(3) "F":

~~"f. If A~~f. If~~an~~ interconnection customer failsing to comply with the foregoing requirements, the electric utility may require disconnection of the applicant's facility until it complies with this chapter may be disconnected as provided in 199—Chapter 20. The disconnection process details shall be provided in individual electric utility tariffs or the interconnection agreement."

MidAmerican now proposes the following revision:

~~"f. If A~~f. If~~an~~ interconnection customer failsing to comply with the foregoing requirements, the electric utility may require disconnection of the distributed generation facility or distributed energy storage facility until it complies with this chapter.—may be disconnected as provided in 199—Chapter 20. The disconnection process details shall be provided in individual electric utility tariffs or the interconnection agreement. If separate disconnection of only the distributed generation facility or the distributed energy storage facility is not feasible or safe, the customer may be disconnected as provided in 199 IAC—Chapter 20."<sup>10</sup>

WHEREFORE, MidAmerican Energy Company respectfully requests that the Board give these reply comments due consideration as it develops rules in this proceeding.

Dated this 2<sup>nd</sup> day of September, 2016.

Respectfully submitted,

**MidAmerican Energy Company**

By /s/ Brian J. Rybarik

Brian J. Rybarik

Attorney for MidAmerican Energy Company

666 Grand Avenue, Suite 500

Des Moines, Iowa 50306-0657

Phone: (515) 281-2559

Email: [bjrybarik@Midamerican.com](mailto:bjrybarik@Midamerican.com)

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<sup>9</sup> The references to "distributed energy storage facility" relate to MidAmerican's proposal to separately define energy storage in Chapter 15 and Chapter 45.

<sup>10</sup> See note 7 above.